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Holdings Inc. and Certain of Its Affiliates

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re:	:	Chapter 11
LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i>	:	Case No. 08-13555 (JMP)
Debtors.	:	
_____	x	
LEHMAN BROTHERS SPECIAL FINANCING INC.	:	
Plaintiff,	:	Adversary Proceeding
-against-	:	No. 10-03542 (JMP)
U.S. BANK NATIONAL ASSOCIATION, BANK OF AMERICA NATIONAL ASSOCIATION, DEUTSCHE BANK TRUST COMPANY AMERICAS, THE BANK OF NEW YORK MELLON TRUST COMPANY NATIONAL ASSOCIATION, WELLS FARGO BANK NATIONAL ASSOCIATION, and DEFENDANTS IDENTIFIED ON SCHEDULE 1,	:	
Trustee Defendants,	:	
-and-	:	
AIRLIE CDO I, CORP., AIRLIE CDO I, LTD., AIRLIE LCDO I (AVIV LCDO 2006-3), CORP, AIRLIE LCDO I (AVIV LCDO 2006-3), LTD., AIRLIE LCDO II (PEBBLE CREEK 2007-1), CORP., AIRLIE LCDO II (PEBBLE CREEK 2007-1), LTD., AVIV LCDO 2006-1, CORP., AVIV LCDO 2006-1, LTD., AVIV LCDO 2006-2, CORP., AVIV LCDO 2006-2, LTD., BALBOA CDO I, CORP.,	:	

BALBOA CDO I, LTD., BELLE HAVEN ABS CDO 2005-1, LLC, BELLE HAVEN ABS CDO 2005-1, LTD., BELLE HAVEN ABS CDO 2006-1, LLC, BELLE HAVEN ABS CDO 2006-1, LTD., EXUM RIDGE CBO 2006-1, CORP., EXUM RIDGE CBO 2006-1, LTD., EXUM RIDGE CBO 2006-2, CORP., EXUM RIDGE CBO 2006-2, LTD., EXUM RIDGE CBO 2006-4, CORP., EXUM RIDGE CBO 2006-4, LTD., EXUM RIDGE CBO 2006-5, CORP., EXUM RIDGE CBO 2006-5, LTD., EXUM RIDGE CBO 2007-1, CORP., EXUM RIDGE CBO 2007-1, LTD., EXUM RIDGE CBO 2007-2, CORP., EXUM RIDGE CBO 2007-2, LTD., GEMSTONE CDO VI CORP., GEMSTONE CDO VI LTD., GREYSTONE CDO SERIES 2008-4 LLC, GREYSTONE CDO SPC, FOR THE ACCOUNT OF THE SERIES 2008-4 SEGREGATED PORTFOLIO, PEBBLE CREEK LCDO 2006-1, CORP., PEBBLE CREEK LCDO 2006-1, LTD., PEBBLE CREEK LCDO 2007-3, LLC, PEBBLE CREEK LCDO 2007-3, LTD., RACE POINT IV CLO, LTD., RESTRUCTURED ASSET CERTIFICATES WITH ENHANCED RETURNS, SERIES 2002-26 TRUST, RESTRUCTURED ASSET CERTIFICATES WITH ENHANCED RETURNS, SERIES 2006-18-C ABX-A06-1-I TRUST, RESTRUCTURED ASSET CERTIFICATES WITH ENHANCED RETURNS, SERIES 2006-18-C ABX-A06-1-II TRUST, RESTRUCTURED ASSET CERTIFICATES WITH ENHANCED RETURNS, SERIES 2006-18-C ABX-A06-1-III TRUST, RESTRUCTURED ASSET CERTIFICATES WITH ENHANCED RETURNS, SERIES 2006-18-C ABX-A06-2-I TRUST, RESTRUCTURED ASSET CERTIFICATES WITH ENHANCED RETURNS, SERIES 2006-18-C ABX-A06-2-II TRUST, RESTRUCTURED ASSET CERTIFICATES WITH ENHANCED RETURNS, SERIES 2006-18-C ABX-A06-2-III TRUST, RESTRUCTURED ASSET CERTIFICATES WITH ENHANCED RETURNS, SERIES 2006-20AT TRUST, SGS HY CREDIT FUND I (EXUM RIDGE CBO 2006-3), LTD., STOWE CDO LLC, STOWE CDO SPC, FOR THE ACCOUNT OF THE SERIES 2008-1 SEGREGATED PORTFOLIO, TRADEWINDS II CDO SERIES 2006-1 LLC, TRADEWINDS II CDO SPC, FOR THE ACCOUNT OF THE SERIES 2006-1 SEGREGATED PORTFOLIO, WHITE MARLIN CDO 2007-1, CORP., WHITE MARLIN CDO 2007-1, LTD.,

Issuer Defendants.

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**NOTICE OF DISMISSAL WITH PREJUDICE**

TO THE HONORABLE JAMES M. PECK,  
UNITED STATES BANKRUPTCY JUDGE:

Lehman Brothers Holdings Inc. (“LBHI” or the “Plan Administrator”), as Plan Administrator under the Modified Third Amended Joint Chapter 11 Plan of Lehman Brothers Holdings Inc. and Its Affiliated Debtors, on behalf of Lehman Brothers Special Financing Inc. (“LBSF”), files this Notice of Dismissal with Prejudice (the “Dismissal”), dismissing with prejudice from the above-captioned adversary proceeding (the “Adversary Proceeding”) Gemstone CDO VI Ltd. (the “Issuer”), Gemstone CDO VI Corp. (the “Co-Issuer”), and Deutsche Bank Trust Company Americas in its capacity as trustee under the governing indenture (the “Trustee” and, together with the Issuer, Co-Issuer, and LBSF, the “Parties”).

1. Pursuant to an ISDA Master Agreement dated as of August 16, 2006 (the “ISDA Master Agreement”), as amended and supplemented by a certain Schedule to the ISDA Master Agreement, dated as of August 16, 2006 and those certain confirmations between LBSF and the Issuer, dated August 17, 2006 (collectively, the “Credit Default Swap Agreement”), LBSF and the Issuer entered into credit default swap transactions (the “Credit Default Swap Transactions”).

2. On August 17, 2006, the Issuer, the Co-Issuer, and the Trustee entered into an indenture (the “Indenture”). Under the Indenture, the Issuer issued rated notes that were secured by a pool of collateral that also secures the Credit Default Swap Agreement.

3. Commencing on September 15, 2008, and periodically thereafter, LBHI and certain of its subsidiaries, including LBSF, commenced with this Court voluntary cases under chapter 11 of title 11 of the United States Code.

4. On September 14, 2010, LBSF filed the Adversary Proceeding, asserting

certain causes of actions against, among others, the Issuer, with respect to the Credit Default Swap Agreement, and the Trustee, with respect to the Indenture and the Credit Default Swap Agreement.

5. On July 16, 2012, LBSF and the Trustee entered into a settlement agreement (the “Settlement Agreement”), and filed a motion seeking the Court’s approval of that settlement (the “Motion”) [ECF No. 29425]. By order dated August 16, 2012 (the “Order”) [ECF No. 30096], the Court granted the Motion and approved the Settlement Agreement.

6. Accordingly, pursuant to the authority granted by the Court in the Order, and consistent with its obligations under the Settlement Agreement, the Plan Administrator hereby files this notice, dismissing with prejudice from the Adversary Proceeding, the Issuer, the Co-Issuer, and the Trustee solely in its capacity as Trustee with respect to the Credit Default Swap Agreement and Indenture.

7. For the avoidance of doubt, this Dismissal relates only to the dispute of these Parties under the Credit Default Swap Agreement and Indenture and in this Adversary Proceeding. This Dismissal does not affect any other claims against or between these or any other parties to the Adversary Proceeding.

Dated: September 6, 2012  
New York, New York

By: /s/ Jacqueline Marcus  
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